SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-1066X

CENTRAL ILLINOIS RAILROAD COMPANY —DISCONTINUANCE OF SERVICE EXEMPTION— IN PEORIA COUNTY, IL

Decided: January 20, 2006

This decision stays the effective date of the exemption in this proceeding, pending a further order of the Board.

BACKGROUND

By a petition filed on September 12, 2005, Central Illinois Railroad Company (CIRY) sought an exemption under 49 U.S.C. 10502 from the prior approval requirements of 49 U.S.C. 10903 to discontinue service over a 6.29-mile segment of rail line extending from milepost 8.5 to milepost 2.21 in Peoria County, IL. CIRY also sought an exemption from the offer of financial assistance and public use provisions of 49 U.S.C. 10904 and 10905, respectively. Notice of the filing was served and published in the Federal Register on September 30, 2005 (70 FR 57365). In a decision served on December 23, 2005 (December 2005 Decision), the Board granted the requests, subject to the standard employee protective conditions. The exemption was scheduled to become effective on January 22, 2006.

On January 4, 2006, Carver Lumber Company (Carver Lumber), a shipper served over the line segment, filed a letter asking the Board to reconsider the grant of discontinuance authority. On January 9, 2006, Pioneer Industrial Railway Company (PIRY) filed a petition for stay pending reconsideration and/or appeal of the December 23, 2005 decision. CIRY and the City of Peoria (City) jointly filed a response to the letter and the petition on January 11, 2006. PIRY filed a letter on January 12, 2006, disputing assertions made by CIRY and the City in their January 11, 2006 filing. On January 19, 2006, Carver Lumber also responded to the January 11, 2006 filing; CIRY replied on the same day.

DISCUSSION AND CONCLUSIONS

The Board's decision granting CIRY's petition for exemption was premised on the fact that the existing shippers on this segment of rail line would receive rail service in the future via a new western connection to the Union Pacific Railroad Company (UP) or by some other arrangement. December 2005 Decision at 2, 4. In its letters, Carver Lumber expresses concern about allowing CIRY's discontinuance authority to go into effect because the western connection has not yet been completed. Carver Lumber also raises several issues regarding the western connection to UP that call into question the availability and practicability of that alternative when it is completed. Until these issues are resolved, it would be inappropriate to allow this discontinuance to become effective.

A stay of the effective date of the exemption is appropriate to allow time for the parties to provide additional information and for the Board to consider the issues presented in Carver Lumber's filing. Accordingly, the exemption will be stayed pending further order of the Board. In the interim, CIRY and the City are directed to keep the Board informed of their progress in addressing and resolving the issues raised by Carver Lumber.

Because of the action taken here, there is no need to rule at the present time on the petition for stay pending reconsideration and/or appeal filed by PIRY.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

- 1. The effective date of the exemption in this proceeding is stayed pending further order of the Board.
 - 2. This decision is effective upon the service date.

By the Board, W. Douglas Buttrey, Chairman.

Vernon A. Williams Secretary